UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/070,073	10/03/2002	Jay S. Walker	17200-640	7244

54205 7590 09/12/2006

CHADBOURNE & PARKE LLP
30 ROCKEFELER PLAZA
NEW YORK, NY 10112

EXAMINER	
ROSEN, NICHOLAS D	
ART UNIT	**PAPER NUMBER**
3625	

DATE MAILED: 09/12/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	10/070,073	WALKER ET AL.	
	Examiner	Art Unit	
	Nicholas D. Rosen	3625	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *11 July 2005*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-66* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-66* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☒ The drawing(s) filed on *28 February 2002* is/are: a)☒ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☒ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date *7/14/2003*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Claims 1-66 have been examined.

Claim Objections

Claims 25 and 26 are objected to because of the following informalities: Claim 25 refers to "the received travel inquiry," which lacks antecedent basis in claim 1. Claim 25 is therefore treated for examination purposes as depending on claim 24. Appropriate correction is required.

Regarding claim 15, as "a current load factor" appears in lines 3 and 4, Applicant may wish to amend "projected load factor" in the second line to "a current load factor", and write "the current load factor" in lines 3 and 4.

Claim 60 is objected to because of the following informalities: Claim 60 refers to "the received travel inquiry," which lacks antecedent basis. Appropriate correction is required.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of

the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

Claims 1-28, 39, 43, and 47

Claims 1, 2, 4, 6, 8, 9, 10, 11, 13, 14, 15, 16, 17, 19, 24, 27, 28, 39, 43, and 47 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell ("Businesses Taking a Hard Look at Air Travel as Fares Increase"). As per claim 1, Katz discloses a computer-implemented method for offering a product for sale, comprising: receiving a preferred product record and at least one alternate product record from an inventory database, the preferred and alternate product records being indicative of preferred and alternate products; selecting at least one alternate product, based on the at least one alternate product record; and transmitting an offer to sell the selected at least one alternate product (Abstract; Figure 4; Figure 7; column 8, line 34, through column 9, line 21; column 11, line 62, through column 12, line 39; column 19, lines 24-58; column 23, line 40, through column 24, line 11). Katz does not expressly disclose that the at least one alternate product provides a greater value to a seller if sold than the preferred product, but this motivation is considered obvious, as well as implicit in the use of the term "upsell" rather than "downsell." It is implausible that a business would go to the trouble disclosed by Katz in order always to sell alternate products which were less valuable to the seller than the

preferred products. Katz does not disclose that the products are travel products, but travel products (which could range from airplane tickets to hotel reservations to suitcases) are well known, as taught, for example, by Dinell (whole article). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the products to be travel products, for the obvious advantage of profiting from the upselling of travel products.

Claim 39 is closely parallel to claim 1, reciting means for doing what claim 1 recites the steps of doing, and is therefore rejected on the same grounds.

Claims 43 and 47 are closely parallel to claim 1, reciting computer code for doing what claim 1 recites the steps of doing, and is therefore rejected on the same grounds; Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62).

As per claim 2, Katz discloses receiving an acceptance to purchase the at least one alternate product (Figure 7; column 25, line 56, through column 26, line 3; column 26, lines 13-37).

As per claim 4, Katz discloses transmitting an offer to sell the preferred product (ibid., as applied to claim 1).

As per claim 6, Katz discloses that selecting the at least one alternate product is based upon inventory data associated with the preferred and alternate products (column 23, lines 40-50; column 26, lines 21-37).

As per claim 8, Katz does not disclose that selecting the at least one alternate product is based upon a current load factor associated with the alternate and preferred products, but Katz does disclose basing the selection upon inventory data (column 23, lines 40-50; column 26, lines 21-37), to which a current load factor is analogous, and Dinell teaches airlines offering promotions based on their load factors (paragraph beginning "Promotion fares are offered because" through end of article). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the selecting to be based upon a current load factor, for the implied advantage of increasing the sales of tickets for seats that would otherwise go vacant and unpaid for.

As per claim 9, commercial airplanes, as discussed in Dinell, necessarily have seating capacities, and the current load factor is indicative of the current available seating capacity.

As per claim 10, Katz does not disclose that selecting the at least one alternate product is based upon a projected load factor associated with the alternate and preferred products, but Katz does disclose basing the selection upon inventory data, including expected future availability in inventory (column 23, lines 40-50; column 26, lines 21-37), to which a projected load factor is analogous, and Dinell teaches airlines offering promotions based on their load factors (paragraph beginning "Promotion fares are offered because" through end of article). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for

the selecting to be based upon a projected load factor, for the implied advantage of increasing the sales of tickets for seats that would otherwise go vacant and unpaid for.

As per claim 11, commercial airplanes, as discussed in Dinell, necessarily have seating capacities, and the projected load factor is indicative of the available seating capacity at the corresponding travel date.

As per claim 13, Katz does not disclose that selecting the at least one alternate product is based upon a load factor discrepancy associated with the alternate and preferred products, but Katz does disclose basing the selection upon inventory data (column 23, lines 40-50; column 26, lines 21-37), to which a current load factor is analogous, and Dinell teaches airlines offering promotions based on their load factors (paragraph beginning "Promotion fares are offered because" through end of article), and in particular teaches, "If they notice that it [the load factor] is way off the scale one way or another, they are going to do something to change that," which implies taking action to reduce the number of passengers on overbooked flights, as well as offering promotional fares on flights with low load factors. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the selecting to be based upon a load factor discrepancy associated with the alternate and preferred products, for the implied advantage of dealing with load factors off the scale, or at least too far toward one end of the scale, in each direction.

As per claims 14 and 15, commercial airplanes, as discussed in Dinell, necessarily have seating capacities, and the projected load factor is based upon the seating capacity; Dinell's teaching of doing something if the load factor is "way off the

scale" implies taking action based on a discrepancy between an optimal load factor and a current or projected load factor.

As per claims 16 and 17, Katz discloses transmitting an offer for a benefit to be associated with the at least one alternate product, implying selecting the benefit (column 18, lines 2-15; column 26, line 66, through column 27, line 22; Figure 9).

As per claim 19, Katz discloses that the selected benefit comprises at least one of additional frequent traveling miles, a price discount, a traveling class upgrade, and a package deal (column 18, lines 2-15; column 26, line 66, through column 27, line 22; Figure 9; note especially column 27, lines 17-22).

As per claim 24, Katz discloses receiving an inquiry that is indicative of a preferred product (the request to buy a preferred product being by implication an inquiry, such as, "Do you have this product for sale?") (ibid., as applied to claim 1 above).

As per claim 27, Katz discloses receiving an inquiry from a requester (ibid., as applied to claims 1 and 24 above), and receiving an indication of a preferred benefit from the requester (column 9, lines 6-21; column 24, lines 12-59; in the sense that prior purchases indicate what benefits the customer preferred to receive, e.g., purchase of a given version of software indicates a preference for the benefit of what that software accomplishes).

As per claim 28, Katz discloses storing indications of a preferred benefit with an identifier of the requester (disclosed by or inherent from column 9, lines 6-21, and column 24, lines 12-59); receiving a second inquiry from a requester (ibid., as applied to

claims 1 and 24 above); retrieving the stored benefit based upon the identity of the requester (implied by column 9, lines 6-21, and column 24, lines 12-59); and transmitting an offer for the preferred benefit with an offer to sell a second alternate product (column 9, lines 6-21; column 24, lines 12-59; met by an alternate product such as a new version of previously purchased software, or mountain bike related goods or services offered to a customer who has previously purchased clothing for use in mountain biking).

Claim 3 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell as applied to claim 2 above, and further in view of official notice. Katz does not expressly disclose receiving payment for the accepted at least one alternate product, but official notice is taken that it is well known to receive payment for products (see, e.g., Katz, column 2, lines 43-55). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to receive such payment, for the obvious advantage of not bankrupting oneself by providing valuable products without payment.

Claims 5 and 7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell as applied to claim 1 above, and further in view of official notice. As per claim 5, Katz does not disclose that the preferred and alternate travel products are indicative of at least one of an airline ticket, a hotel room, a rental car, a cruise ticket, and train ticket, but official notice is taken that these are well known products. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the travel products to be indicative of at least one of an

airline ticket, a hotel room, a rental car, a cruise ticket, or a train ticket, for the obvious advantage of profiting from the upselling of one or more of these products.

As per claim 7, Katz does not disclose that selecting the at least one alternate product is based upon profit margin data associated with the preferred and alternate products, but official notice is taken that it is well known for businesses to study profit margin data, and attempt to increase sales of higher-margin products and/or services. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for selecting the at least one alternate product to be based upon profit margin data associated with the preferred and alternate products, for the obvious advantage of increasing profits.

Claim 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell as applied to claim 11 above, and further in view of official notice. Neither Katz nor Dinell discloses that the projected load factor is based upon historical travel product data, but official notice is taken that it is well known to base projected future sales and related expectations upon historical data. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the projected load factor to be based upon historical travel product data, for the obvious advantage of using the past as a guide – an imperfect but still useful and widely employed guide – to the future, as in, e.g., predicting holiday or other seasonal shifts in demand for airplane seats.

Claims 18, 20, and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell as applied to claim 17 above, and further in view of

official notice. As per claim 18, Katz does not disclose that the selected benefit has an associated time duration for acceptance, but Katz discloses that the selected benefit may be a discount coupon (column 18, lines 2-15; column 26, line 66, through column 27, line 22; Figure 9; note especially column 27, lines 17-22), and official notice is taken that it is well known for benefits or offers, and especially for discount coupons, to have associated time durations for acceptance. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the selected benefit to have an associated time duration for acceptance, for the obvious advantages of encouraging the customer to make a decision and a purchase, and avoiding having potential obligations hanging over the seller indefinitely.

As per claim 20, Katz does not disclose generating a benefit rating, wherein the benefit rating is based on a difference between the preferred and alternate products, but official notice is taken that it is well known to generate ratings, and given the assumption that a user of Katz's method is not irrational, the offer of an alternate product, especially in the embodiment of the alternate product being offered as an alternative to the preferred product, rather than purely as an addition, may be presumed to be based on a benefit rating, at least of a binary type, namely, that there is or is not a benefit to be expected by offering the alternate product, e.g., that it can or cannot likely be sold at a higher price and profit than the preferred product. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to generate a benefit rating based on a difference between the preferred and alternate

products, for the obvious advantage of determining whether or not to offer a potential alternate product.

As per claim 22, Katz does not disclose that the benefit is a package deal benefit to be associated with the alternate travel product, the package deal benefit including at least one additional travel product, but official notice is taken that it is well known to offer package deals as benefits, including at least one additional product with a product one is offering for sale, to make the purchase more attractive. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the benefit to be a package deal, the package deal benefit including at least one additional travel product, for the obvious advantage of encouraging purchase of the alternate product offered as an upsell.

Claims 21 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz, Dinell, and official notice as applied to claim 20 above, and further in view of O'Brien et al. (U.S. Patent 5,832,457). Katz does not disclose that the benefit is selected based on the benefit rating, but it is well known to select benefits to offer purchasers based on a benefit rating corresponding to the value of a purchase, as taught, for example, by O'Brien (column 6, lines 52-58). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the benefit to be selected based on the benefit rating, for the obvious advantage of giving customers incentive to purchase alternate products of higher price and greater profit to the seller, or, to look at it differently, offering a benefit that does not exceed the profit the seller could expect from selling the alternate product.

Claims 23 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz, Dinell, and official notice as applied to claim 17 above, and further in view of O'Brien et al. (U.S. Patent 5,832,457). Katz does not disclose that the benefit is selected based upon a difference between the value of the alternate product and the value of the preferred product, but it is well known to select a benefit based on the size of customer's purchase, as taught, for example, by O'Brien (column 6, lines 52-58). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the benefit to be selected based upon a difference between the value of the alternate product and the value of the preferred product, for the obvious advantage of giving customers incentive to purchase alternate products of higher price and greater profit to the seller, or, to look at it differently, offering a benefit that does not exceed the profit the seller could expect from selling the alternate product.

Claims 25 and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell as applied to claim 24 above, and further in view of official notice. As per claim 25, Katz does not expressly disclose that the alternate product is within a defined variation limit from the received inquiry, but does disclose that the alternate product is based on its relation to a received product request/inquiry (column 9, lines 6-21; column 24, lines 4-59), and official notice is taken that it is well known to define limits of variation. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the alternate product to

be within a defined variation limit from the received inquiry, for the stated advantage of attempting upsells likely to result in purchases.

As per claim 26, Katz does not expressly disclose that the defined variation limit is based on at least one of dates, times, classes, origin, and destination of each alternate travel product and the travel inquiry, but does, as set forth in the rejection of claim 25 above, disclose selecting an alternate product based on various types of similarity to a product inquiry, and official notice is taken that dates, times, classes, origin, and destination are well known points of similarity between one travel product (e.g., an airplane ticket) and another travel product or travel inquiry. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the defined variation limit to be based on at least one of dates, times, classes, origin, and destination of each alternate travel product and the travel inquiry, for the stated advantage of attempting upsells likely to result in purchases.

Claims 29-32, 40, 44, and 48

Claims 29, 30, 40, 44, and 48 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell ("Businesses Taking a Hard Look at Air Travel as Fares Increase") and official notice. As per claim 29, Katz discloses a computer-implemented method for offering a product for sale, comprising: receiving an inquiry indicative of a preferred product from a customer, and receiving at least one alternate product record from a database, wherein the at least one alternate product record is based upon the product inquiry, the alternate product

record being indicative of an alternate product; selecting at least one alternate product, based on the at least one alternate product record; transmitting an offer to sell the selected at least one alternate product to a customer; and receiving an acceptance to purchase the at least one alternate product from the customer (Abstract; Figure 4; Figure 7; column 8, line 34, through column 9, line 21; column 11, line 62, through column 12, line 39; column 19, lines 24-58; column 23, line 40, through column 24, line 11; column 25, line 56, through column 26, line 3; column 26, lines 13-37). Katz does not expressly disclose transmitting the inquiry to at least one merchant server, and receiving at least one alternate product record from a merchant server, but does disclose dealing with multiple databases (Figures 4 and 7; column 26, lines 13-37), and discloses that the alternate/upsold product may come from another merchant, unaffiliated with the seller of the original/preferred product (column 26, lines 49-65), which implies communicating with at least one merchant for the alternate/upsold product. Official notice is taken that transmitting inquiries to and receiving product records from merchant servers is well known; hence it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of conveniently arranging a upsell related to another merchant.

Katz does not expressly disclose that the at least one alternate product provides a greater value to a seller if sold than the preferred product, but this motivation is considered obvious, as well as implicit in the use of the term "upsell" rather than "downsell." It is implausible that a business would go to the trouble disclosed by Katz in

order always to sell alternate products which were less valuable to the seller than the preferred products. Katz does not disclose that the products are travel products, or the customer a traveler, but travel products (which could range from airplane tickets to hotel reservations to suitcases) are well known, as taught, for example, by Dinell (whole article). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the products to be travel products, and, ipso facto, the customer a traveler, for the obvious advantage of profiting from the upselling of travel products.

Claim 40 is closely parallel to claim 29, reciting means for doing what claim 29 recites the steps of doing, and is therefore rejected on the same grounds.

Claims 44 and 48 are closely parallel to claim 29, reciting computer code for doing what claim 29 recites the steps of doing, and is therefore rejected on the same grounds; Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62).

As per claim 30, Katz discloses providing a preferred product record based upon the inquiry, the preferred product record being indicative of the preferred product (ibid., as applied to claim 29; note especially column 9, lines 6-11). Katz does not disclose receiving the preferred product record from a merchant server, but official notice is taken that it is well known to receive product records from merchant servers. Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to receive the preferred product record from a merchant

server, in the sense of the server of the seller disclosed by Katz, for the obvious advantage of assuring that the customer and seller are agreed about the description, price, etc., of the primary product; or to receive the preferred product record from a merchant server, in the sense of a server of a second merchant, for the obvious advantage, as implied by Katz (column 26, lines 49-65), of arranging for the customer to buy a product provided by a different and unaffiliated merchant.

Claims 31 and 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell as applied to claim 30 above, and further in view of O'Brien et al. (U.S. Patent 5,832,457). As per claim 31, Katz discloses transmitting an offer for a benefit to be associated with the alternate product, implying selecting the benefit (column 18, lines 2-15; column 26, line 66, through column 27, line 22; Figure 9). Katz does not disclose that the benefit is selected based upon a difference between the preferred product and the alternate product, but it is well known to select a benefit based on the size of customer's purchase, as taught, for example, by O'Brien (column 6, lines 52-58). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the benefit to be selected based upon a difference between the preferred product and the alternate product, especially a difference in their values, for the obvious advantage of giving customers incentive to purchase alternate products of higher price and greater profit to the seller, or, to look at it differently, offering a benefit that does not exceed the profit the seller could expect from selling the alternate product.

As per claim 32, Katz discloses transmitting an offer for the associated benefit (column 18, lines 2-15; column 26, line 66, through column 27, line 22; Figure 9).

Claims 33, 34, 41, 45, and 49

Claims 33, 41, 45, and 49 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell ("Businesses Taking a Hard Look at Air Travel as Fares Increase"). As per claim 33, Katz discloses a computer-implemented method for offering a product for sale, comprising: submitting an inquiry indicative of a preferred product; receiving an offer for at least one alternate product, the at least one alternate product being based on the inquiry; and transmitting an acceptance to purchase the at least one alternate product (Abstract; Figure 4; Figure 7; column 8, line 34, through column 9, line 21; column 11, line 62, through column 12, line 39; column 19, lines 24-58; column 23, line 40, through column 24, line 11; column 25, line 56, through column 26, line 3; column 26, lines 13-37). Katz does not expressly disclose that the at least one alternate product provides a greater value to a seller if sold than a preferred product, but this motivation is considered obvious, as well as implicit in the use of the term "upsell" rather than "downsell." It is implausible that a business would go to the trouble disclosed by Katz in order always to sell alternate products which were less valuable to the seller than the preferred products. Katz does not disclose that the products are travel products, but travel products (which could range from airplane tickets to hotel reservations to suitcases) are well known, as taught, for example, by Dinell (whole article). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the

products to be travel products, for the obvious advantage of profiting from the upselling of travel products.

Claim 41 is closely parallel to claim 33, reciting means for doing what claim 33 recites the steps of doing, and is therefore rejected on the same grounds. Furthermore, the system of claim 41 could describe any personal computer with a modem for connecting to an e-commerce website, or any telephone for dealing with a telemarketer. Even if the selecting of an alternate travel product at the website or telemarketing center were found patentable, there appears to be nothing distinctive or even potentially patentable in the system recited in claim 41.

Claims 45 and 49 are closely parallel to claim 33, reciting computer code for doing what claim 33 recites the steps of doing, and is therefore rejected on the same grounds; Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62).

Claim 34 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell as applied to claim 33 above, and further in view of O'Brien et al. (U.S. Patent 5,832,457). Katz discloses receiving an offer for a benefit to be associated with the alternate product (column 18, lines 2-15; column 26, line 66, through column 27, line 22; Figure 9). Katz does not disclose that the benefit is based upon a difference between the preferred product and the alternate product, but it is well known to select a benefit based on the size of customer's purchase, as taught, for example, by O'Brien (column 6, lines 52-58). Hence, it would have been obvious to one of ordinary skill in the art of

electronic commerce at the time of applicant's invention for the benefit to be selected based upon a difference between the preferred product and the alternate product, especially a difference in their values, for the obvious advantage of giving customers incentive to purchase alternate products of higher price and greater profit to the seller, or, to look at it differently, offering a benefit that does not exceed the profit the seller could expect from selling the alternate product.

Claims 35-38, 42, 46, and 50

Claims 35, 36, 37, 38, 42, 46, and 50 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell ("Businesses Taking a Hard Look at Air Travel as Fares Increase") and official notice. As per claim 35, Katz discloses a computer-implemented method for offering a product for sale, comprising: receiving an inquiry indicative of a preferred product from a customer, and receiving at least one alternate product record from a database, wherein the at least one alternate product record is based upon the product inquiry, the alternate product record being indicative of an alternate product; selecting at least one alternate product, based on the at least one alternate product record; and transmitting an offer to sell the selected at least one alternate product to a customer (Abstract; Figure 4; Figure 7; column 8, line 34, through column 9, line 21; column 11, line 62, through column 12, line 39; column 19, lines 24-58; column 23, line 40, through column 24, line 11; column 25, line 56, through column 26, line 3; column 26, lines 13-37). Katz does not expressly disclose querying at least one merchant server, and receiving a preferred product record and at least one alternate product record from a merchant server, but does

disclose dealing with multiple databases (Figures 4 and 7; column 26, lines 13-37), and discloses that the alternate/upsold product may come from another merchant, unaffiliated with the seller of the original/preferred product (column 26, lines 49-65), which implies communicating with at least one merchant for the alternate/upsold product. Official notice is taken that querying merchant servers and receiving product records from merchant servers is well known; hence it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention to do so, for the obvious advantage of conveniently arranging a upsell related to another merchant.

Katz does not expressly disclose that the at least one alternate product provides a greater value to a seller if sold than the preferred product, but this motivation is considered obvious, as well as implicit in the use of the term "upsell" rather than "downsell." It is implausible that a business would go to the trouble disclosed by Katz in order always to sell alternate products which were less valuable to the seller than the preferred products. Katz does not disclose that the products are travel products, or the customer a traveler, but travel products (which could range from airplane tickets to hotel reservations to suitcases) are well known, as taught, for example, by Dinell (whole article). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the products to be travel products, and, ipso facto, the customer a traveler, for the obvious advantage of profiting from the upselling of travel products.

Claim 42 is closely parallel to claim 35, reciting means for doing what claim 35 recites the steps of doing, and is therefore rejected on the same grounds.

Claims 46 and 50 are closely parallel to claim 35, reciting computer code for doing what claim 35 recites the steps of doing, and is therefore rejected on the same grounds; Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62).

As per claim 36, Katz does not disclose that the seller is a travel product seller, but travel product sellers are well known, as taught, for example, by Dinell (whole article). Hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the seller to be a travel product seller, on the same grounds that it would have been obvious for the product to be a travel product seller.

As per claims 37 and 38, Katz does not disclose that the seller is a central reservation system or travel agent, but official notice is taken that central reservation systems and travel agents are well known; hence, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time of applicant's invention for the seller to be one, for the obvious advantage of enabling such a seller to profit from selling an alternate travel product.

Claims 51-60

Claims 51, 52, 53, 55, 56, 58, and 59 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell

("Businesses Taking a Hard Look at Air Travel as Fares Increase"). As per claim 51, claim 51 is closely parallel to claim 1, reciting a memory, processor, and computer code for doing what claim 1 recites the steps of doing, and is therefore rejected on the same grounds set forth above for claim 1. Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62). Katz is not entirely explicit about his computer having a processor, but computers must inherently have processors.

As per claim 52, claim 52 is parallel to claim 2, and rejected on the same grounds set forth above for claim 2.

As per claim 53, claim 53 is parallel to claim 6, and rejected on the same grounds set forth above for claim 6.

As per claim 55, claim 55 is parallel to claim 8, and rejected on the same grounds set forth above for claim 8.

As per claim 56, claim 56 is parallel to claim 10, and rejected on the same grounds set forth above for claim 10.

As per claim 58, claim 58 is parallel to claim 16, and rejected on the same grounds set forth above for claim 16.

As per claim 59, claim 59 is parallel to claim 24, and rejected on the same grounds set forth above for claim 24.

Claims 54, 57, and 60 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and Dinell, and further in view of official notice. Claim 54 is parallel to claim 7, and rejected on the same grounds set forth above for claim 7.

As per claim 57, claim 57 is parallel to claim 13, and rejected on the same grounds set forth above for claim 13.

As per claim 60, claim 60 is parallel to claim 25, and rejected on the same grounds set forth above for claim 25.

Claim 61

Claim 61 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell ("Businesses Taking a Hard Look at Air Travel as Fares Increase") and official notice. Claim 51 is closely parallel to claim 29, reciting a memory, processor, and computer code for doing what claim 29 recites the steps of doing, and is therefore rejected on the same grounds set forth above for claim 29. Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62). Katz is not entirely explicit about his computer having a processor, but computers must inherently have processors.

Claim 62

Claim 62 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell ("Businesses Taking a Hard Look at Air Travel as Fares Increase"). Claim 62 is closely parallel to claim 33, reciting a memory,

processor, and computer code for doing what claim 33 recites the steps of doing, and is therefore rejected on the same grounds set forth above for claim 33. Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62). Katz is not entirely explicit about his computer having a processor, but computers must inherently have processors.

Claim 63-66

Claim 63, 64, 65, and 66 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. (U.S. Patent 6,055,513) in view of Dinell ("Businesses Taking a Hard Look at Air Travel as Fares Increase") and official notice. Claims 63, 64, 65, and 66 are closely parallel to claims 35, 36, 37, and 38, respectively, with claim 63 reciting a memory, processor, and computer code for doing what claim 35 recites the steps of doing, wherefore claim 63 is rejected on the same grounds set forth above for claim 35, and claims 64, 65, and 66 are rejected on the same grounds set forth above for claims 36, 37, and 38, respectively. Katz discloses computer programming for causing his system to carry out its procedure, as well as memory which "may serve to store program information" (column 13, lines 58-67; column 20, lines 23-62). Katz is not entirely explicit about his computer having a processor, but computers must inherently have processors.

"Means for" language

It is noted that claims 39, 40, 41, and 42 use "means for" language. Nonetheless, they are not treated as invoking 35 U.S.C. 112, sixth paragraph. If Applicant wishes to invoke 35 U.S.C. 112, sixth paragraph, Applicant should provide an explicit statement to that effect. 35 U.S.C. 112, sixth paragraph states:

> An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Walker et al. (U.S. Patent 6,112,185) disclose an automated service upgrade offer acceptance system. Gupta et al. (U.S. Patent 6,820,062) disclose a product information system. Notz et al. (U.S. Patent 7,016,864) disclose an interactive upsell advisor method and apparatus for Internet applications. Giuliani et al. (U.S. Patent Application Publication 2001/0051895) disclose a method and apparatus for generating purchase incentives based on price differentials. Offutt, Jr. et al. (U.S. Patent Application Publication 2002/0184059) disclose methods and apparatus for determining non-obvious savings in the purchase of goods and services.

Nomura (JP 06075982), made of record in the Applicant's IDS of July 14, 2003, is believed to be the most relevant foreign patent document of record.

Tasker ("Should We Send the Bad Guys' Guns to the Contras?") discloses upselling travel-related products ("Suitening the Pot" section). Clemons et al., ("Segmentation, Differentiation, and Flexible Pricing: Experiences with Information Technology and Segment-Tailored Strategies") disclose, inter alia, upgrading the rooms of hotel guests. White ("Budget Drives Their Message with New Debit Card") discloses upselling customers to better and more expensive rental vehicles. The anonymous article, "iCat Offers Every Business in the World a Free Store on the Internet," dsicloses autoamtically suggesting accessories and featured offers to shoppers (paragraph beginning, "iCat Commerce online provides a selection"). The anonymous article, "Netcom Includes E-Commerce Software as Standard Feature in Web Hosting Line; Company Is Only ISP to Offer Open Market ShopSite Manager Lite," discloses ShopSite Pro having automatic product upsell capabilities. Ott ("Sites Give Customers More Autonomy" [Abstract]) dsicloses upselling in an online catalog.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Nicholas D. Rosen, whose telephone number is 571-272-6762. The examiner can normally be reached on 8:30 AM - 5:00 PM, M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith, can be reached on 571-272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300. Non-official/draft communications can be faxed to the examiner at 571-273-6762.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for

published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Nicholas D. Rosen

NICHOLAS D. ROSEN
PRIMARY EXAMINER

September 7, 2006